



Brownfields Cleanup Revolving Loan Fund Pilot

Trenton, NJ

Outreach and Special Projects Staff (5101)

Quick Reference Fact Sheet

EPA's Brownfields Economic Redevelopment Initiative is designed to empower states, communities, and other stakeholders in economic redevelopment to work together in a timely manner to prevent, assess, safely clean up, and sustainably reuse brownfields. A brownfield is a site, or portion thereof, that has actual or perceived contamination and an active potential for redevelopment or reuse. EPA is funding: assessment demonstration pilot programs (each funded up to \$200,000 over two years), to assess brownfields sites and to test cleanup and redevelopment models; job training pilot programs (each funded up to \$200,000 over two years), to provide training for residents of communities affected by brownfields to facilitate cleanup of brownfields sites and prepare trainees for future employment in the environmental field; and, cleanup revolving loan fund programs (each funded up to \$500,000 over five years) to capitalize loan funds to make loans for the environmental cleanup of brownfields. These pilot programs are intended to provide EPA, states, tribes, municipalities, and communities with useful information and strategies as they continue to seek new methods to promote a unified approach to site assessment, environmental cleanup, and redevelopment.

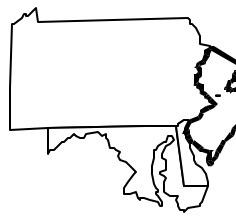
BACKGROUND

Trenton's once-vibrant manufacturing base, which at one time provided more than 50,000 jobs, has shrunk to providing fewer than 4,000 jobs today. Approximately 18 percent of the city's residents live below the poverty line. A disproportionate number of the city's minority residents live in neighborhoods surrounding vacant, abandoned industrial sites. Using the U.S. EPA Assessment Demonstration Pilot, the city now has more than 25 brownfield sites in some stage of planning, investigation, cleanup, or redevelopment.

BCRLF OBJECTIVES

The goal of the Trenton BCRLF Pilot program is to reclaim and redevelop the city's abandoned and underutilized industrial sites for a variety of productive uses, including industrial development, commercial development, housing, and public open space. The city will use the BCRLF Pilot to supplement its ongoing, three-pronged brownfields strategy that includes: maintaining ongoing community outreach and education; integrating a high level of technical involvement including innovative cleanup approaches; and developing financing and reuse plans that are

PILOT SNAPSHOT



Trenton, New Jersey

Date of Award:
September 1997

Amount: \$350,000

BCRLF Target Area : Three industrial corridors in the city's urban enterprise zone: Route 1, Pennington Avenue, and South Trenton.

Contacts:

Trenton Department of
Housing & Development
(609) 989-3504

Regional Brownfields Team
U.S. EPA - Region 2
(212) 637-4314

Visit the EPA Region 2 Brownfields web site at:
<http://www.epa.gov/r02earth/superfnd/brownfld/bfmainpg.htm>

For further information, including specific Pilot contacts, additional Pilot information, brownfields news and events, and publications and links, visit the EPA Brownfields web site at:
<http://www.epa.gov/brownfields/>

consistent with neighborhood needs and conditions. The city will use the loan fund as a flexible financing source to fill in gaps from other funding mechanisms and to entice private developers to invest in the city.

FUNDSTRUCTUREANDOPERATIONS

Trenton's financing plan for the BCRLF Pilot program involves an initial fund capitalization of \$700,000: EPA's funding of \$350,000 will be supplemented with \$150,000 from the New Jersey Urban Enterprise Zone Assistance Fund, \$150,000 from the city's capital budget derived from general obligation bond proceeds, and \$50,000 from fund reserves of the Trenton Business Assistance Corporation (TBAC).

The city's Department of Housing & Development will serve as the Lead Agency. The TBAC will serve as the Site and Fund Manager. In addition, Trenton will continue its partnerships with the Brownfields Environmental Solutions for Trenton (BEST) Advisory Council (created under the EPA Assessment Pilot) and Isles, Inc., to ensure ongoing community involvement. Trenton will target BCRLF loans to properties in its three major industrial corridors, all located in the city's urban enterprise zone: the Route 1 Industrial Corridor; the Pennington Avenue Industrial Corridor; and the South Trenton Industrial Corridor.

Each loan application will go through a three-step review process. City staff will conduct a preliminary review of all loan requests to ensure the threshold criteria are met. Next, the Site Manager will determine that potential borrowers meet the strict criteria established by EPA under CERCLA. Finally, TBAC staff will conduct a thorough financial analysis of each application. Loan terms will be tied to the cleanup costs, the site's market potential, and the developer's future plans for the site.

Use of BCRLF Pilot funds must be in accordance with CERCLA, and all CERCLA restrictions on use of funding also apply to BCRLF funds.
